

**Southern Utah Tire Recyclers**

1410 S. 2400 W.  
Beryl, Utah 84714  
(801) 652-1639

m/021/004

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in green folder*

Date: January 7, 1997

To: D. Wayne Hedberg  
Permit Supervisor  
Dept. of Natural Resources  
Division of Oil, Gas and Mining  
Minerals Reclamation Program  
1594 West North Temple, Suite 1210  
Salt Lake City, Utah 84114-5801  
(801) 538-5286 (801) 359-5286 FAX

re: Letter of Explanation

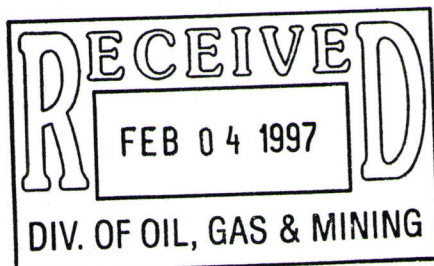
Dear Mr. Hedberg:

Enclosed is our Business Plan and Plan of Operations which was submitted to Iron County for final approval to become a waste tire recycling plant as well as a Commercial Greenhouse facility. This Business Plan reflects our proposal to recycle tires for the recovery of heat for our Greenhouse Operations. It was proposed to place both facilities on the old Reliant Testing site. The plan of Operations reflects our current patented tire recycling process of Gasifying tires for the recovery of heat for our Greenhouse facility. The Plan of Operations also includes the proposal to expand our operations to the Hecla Mine buildings.

We desire to separate the waste tire recycling plant from the Greenhouse facility in the near future by moving the recycling plant to the Hecla site. It is also in our plans to install an updated recycling process that will dispose of a much larger quantity of tires and will not only provide the heat for the Greenhouse operations but will actually extract the tire components out. With this process, we will be able to recover Carbon Black, fuel oils and high tensile steel that will be sold, increasing the profitability of the recycling aspect of the business. This process will increase the tire consumption rate 10 fold, increasing it from 100,000 tires to 1,000,000 tires per year, and it will also allow the expansion of the Greenhouse business proportionately by allowing the additional heat to be used for the Greenhouses.

Due to the varied weather conditions and to the nature of the tire pyrolysis process, we would want to install it inside the existing mill building at Hecla so that the process might be managed more appropriately, providing a controlled environment.

If you have any questions about our proposed plans, please feel free to call me, I would be happy to answer them. Thank you.



Sincerely,

*Nick Bird*  
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Nick Bird  
Southern Utah Tire Recyclers